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GRAINS, GRAIN PRODUCTS, AND FEEDS

CUBA SUBSIDIZES FLOUR IMPORTS

The Cuban Government on December 27 authorized a subsidy to be paid on imports of up to 864,000 bags (1,728,000 hundredweight) of United States flour during the first 4 months of 1946. The subsidies proposed are $2.54 per bag for hard spring wheat flour and $2.00 per bag for hard winter wheat flour. These rates compare with the payment of $2.02 per bag granted by the Cuban Government a year ago on all classes of United States flour.

With the exception of the price difference, the terms of the new subsidy are reported to be substantially the same as those granted under the decree of January 12, 1945, which prohibited any payment on imports receiving the special United States subsidy on flour for Cuba. Quotas will be granted to Cuban flour importers on the same basis as last year.

The stated purpose of the subsidy is to assure prompt importation of flour and to avoid the necessity of increasing the price of bread. No appreciable quantities of flour have been imported by Cuba since the expiration of the special subsidy of $2.42 per bag granted by the United States to Cuban under the Stabilization Agreement of April 26, 1945. Stocks of flour are expected to be virtually wiped out by the end of January.

ITALY REPORTS SMALL CORN CROP

Italian corn production in 1945 was placed at about 59 million bushels, according to the first official estimate. At that figure the crop would be the smallest on record and considerably less than early season forecasts, which had indicated a production of some 90 million bushels. The outturn this year compares with the prewar (1933-1937) average of 115 million bushels and the record crop of 134 million bushels in 1937.

The reduced crop results from small yields per acre, since the corn acreage is indicated to be at least equal to the 1944 acreage. The small yields are attributed to severe drought throughout the growing season. The small corn crop is expected to further aggravate the serious food shortage reported in Italy.

This section is part of the Grain Section beginning on page 19.

WORLD SUGAR PRODUCTION SMALLER

World sugar production, beet and cane, for the 1945-46 season is indicated at 27.8 million short tons (raw value), or about 400,000 tons smaller than in 1944-45, but 2.7 million tons less than in 1943-44 and 6.5 million tons smaller than the prewar (1935-1939) average. The increase in 1945-46 in the Western Hemisphere is more than offset by decreases elsewhere.

Beet-sugar production, estimated at 7.3 million tons, is expected to be the smallest since 1923 when only 6.5 million tons were produced, but it is substantially larger than the 3.7 million tons in 1919, the first harvest after the close of World War I, and the low level for that war period. Although beet-sugar production in North America shows an upward trend since the low level reached in 1943, that in Europe follows a continued downward trend.

World production of cane sugar is placed at 20.5 million tons, about 500,000 tons larger than in 1944-45, but about 1.4 million tons less than in 1943-44, and 2 million tons smaller than the prewar average. As compared with prewar, increases in Western Hemisphere countries are expected to be more than offset by the sharp decreases in the Far East (particularly in Java, Formosa, and the Philippines), Africa, and Oceania.

For Europe as a whole sugar production declined steadily during the war years and is indicated at only 5.8 million tons in 1945-46, compared with 7 million tons in 1944-45 and 10.2 million tons, the prewar average. Output this season in a number of countries is reduced sharply because of war conditions, drought, lack of fertilizers, fuel, and transportation facilities. This is notably true in the Netherlands, Belgium, France, Italy, Germany, Austria, Czechoslovakia, Hungary, Bulgaria, Rumania, and Poland. In those countries where conditions were more favorable, production is being maintained or increased slightly. In the Soviet Union, where the sugar crop in 1942 was reduced to about one-fourth of the prewar level by the ravages of war, recovery has been substantial in the last three seasons, and production in 1945-46 is likely to approximate three-fifths of the prewar level.

In North and Central America and the West Indies, sugar production in 1945-46 is expected to be about 10.2 million short tons, compared with 8.8 million tons in 1944-45 and 8.7 million tons, the prewar average. In the United States and Territories beet-and cane-sugar production shows a marked recovery from the low level of 1943-44, but remains about 3 percent less than the prewar average. Increases have been largely in beet sugar and in Puerto Rican cane. In Cuba, the largest producer of export sugar, the 1945-46 output is anticipated to be 21 percent larger than the medium sized crop in 1944-45 and about 50 percent more than the controlled production in prewar years.

SUGAR (Raw Value): Production in specified countries, averages 1930-1934, 1935-1939, annual 1942-1945

Country	Average 1930-1934	Average 1935-1939	1942	1943	1944	1945 a/
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Europe						
Great Britain	497	527	634	607	510	600
Eire	37	89	60	120	103	105
Sweden	252	340	290	321	308	360
Denmark	173	257	238	213	196	200
Netherlands	262	255	220	204	100	70
Belgium	274	259	229	269	214	110
France	1,112	1,053	738	676	350	455
Spain b/.............	236	188	148	159	171	135
Italy	397	416	426	329	61	20
Switzerland	8	12	23	23	26	25
Germany	1,838	2,138	(2,100)	(1,950)	(1,950)	(1,100)
Austria	192	176	(130)	(115)	(95)	(20)
Czechoslovakia	806	725	(691)	(590)	(685)	(525)
Hungary	158	139	c/ 176	c/ 182	c/ 216	c/ (40)
Yugoslavia	89	95	c/ 27	c/ 39	c/ 26	c/ (85)
Bulgaria	36	24	c/ 38	c/ 50	c/ 50	c/ (15)
Rumania	113	129	c/ 200	c/ 171	c/ 155	c/ (65)
Poland	546	538	(520)	(520)	(350)	c/ 252
Latvia	32	48	31	31	30	30
Lithuania	10	30	19	17	15	15
Finland	7	13	7	7	6	6
Soviet Union	1,371	2,624	600	760	1,225	(1,500)
Turkey	41	75	70	118	110	110
Total	8,487	10,150	7,615	7,471	6,952	5,843
Asia						
Iran	4	21	15	24	25	27
China	285	529	500	635	(825)	(800)
India d/.............	5,082	6,168	6,062	6,560	6,073	(6,000)
Taiwan	889	1,202	1,148	984	550	175
Japan e/.............	186	234	165	(105)	(105)	(105)
Java f/..............	1,731	1,447	748	550	125	(125)
Philippine Islands ..	1,176	1,127	(250)	(150)	(75)	(15)
Indochina	59	76	(82)	(75)	(75)	(75)
Total...........	9,412	10,804	8,970	9,083	7,853	7,322

Continued

SUGAR (Raw Value): Production in specified countries, averages 1930-1934, 1935-1939, annual 1942-1945

Country	Average					
	1930-1934	1935-1939	1942	1943	1944	1945a/
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
North America, Central America and West Indies						
Canada (beet)	66	76	101	76	88	85
United States (beet)	1,396	1,520	1,726	998	1,056	1,314
United States (cane)	236	474	460	498	437	521
Hawaii	1,042	986	835	875	880	900
Puerto Rico	894	974	1,039	723	964	1,100
Virgin Islands	3	6	4	3	4	6
Cuba	2,847	3,168	3,230	4,738	3,923	4,750
Dominican Republic	439	491	472	563	407	460
Haiti	28	44	48	64	50	50
Guatemala	38	38	52	55	55	55
Salvador	23	19	22	23	23	25
Mexico	241	341	456	430	438	445
British West Indies						
Antigua	19	25	24	18	21	20
Barbados	90	133	150	95	130	130
Jamaica	69	119	186	170	175	175
St. Christopher	25	36	36	31	34	35
Trinidad	121	148	78	83	90	100
St. Lucia and St. Vincent	6	9	8	7	8	8
French West Indies						
Guadeloupe	40	53	30	33	33	50
Martinique	49	62	35	3	8	20
Total	7,672	8,722	9,042	9,486	8,824	10,249
South America						
Argentina	381	482	398	453	506	500
Brazil	1,130	1,155	1,360	1,391	1,377	1,320
British Guiana	163	209	148	155	174	175
Dutch Guiana	21	19	8	4	3	3
Paraguay	7	7	11	11	11	8
Peru	441	449	430	458	460	475
Ecuador	22	24	33	29	26	30
Colombia	32	46	74	80	89	95
Venezuela	23	27	40	36	36	40
Total	2,220	2,418	2,502	2,617	2,682	2,646

Continued

SUGAR (Raw Value): Production in specified countries, averages 1930-1934, 1935-1939, annual 1942-1945

Country	Average 1930-1934	Average 1935-1939	1942	1943	1944	1945a/
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Africa						
Egypt	161	167	209	184	185	200
Mauritius	236	321	365	340	225	145
Union of South Africa	366	498	525	585	614	547
Mozambique	93	79	88	65	65	65
Reunion	64	92	45	28	17	25
Madagascar	8	13	13	14	13	15
Total	928	1,170	1,245	1,216	1,119	997
Oceania						
Australia	667	893	728	587	736	700
Fiji	117	143	152	60	77	60
Total	784	1,036	880	647	813	760
Total cane sugar	19,521	22,494	20,762	21,916	20,087	20,513
Total beet sugar	9,982	11,806	9,492	8,604	8,156	7,304
Total cane and beet sugar	29,503	34,300	30,254	30,520	28,243	27,817

Compiled from official and trade sources where available; estimate made by Office of Foreign Agricultural Relations shown in parentheses. Figures are for crop years; generally the sugar harvesting season begins in the fall months of the year shown or in the early months of the following year, except in certain cane-sugar producing countries in the Southern Hemisphere, such as Argentina, Australia, Mauritius, Union of South Africa, etc., where the season begins in May or June of the year shown.

a/ Preliminary. b/ Includes a small quantity of cane sugar. c/ Data not comparable with previous years because of boundary changes.
d/ Data for India are in terms of gur, a low grade brown sugar.
e/ Includes cane and beet sugar produced in Japan proper and cane sugar produced in the mandated South Sea Islands. f/ Data for Java are the calendar years following the years shown.

In the Far East production of sugar for 1945-46 probably will be about 7 percent smaller than in 1944-45 and about 32 percent less than the prewar average. Output in the Philippines, Java, and Formosa is only a fraction of normal owing to the ravages of war. In the Philippines and Java, there was widespread destruction of both mills and cane acreage, and production declined sharply during Japanese occupation. Even in Formosa output decreased sharply because of bomb damage to mills and the need to produce other food crops. In India and China the sugar production has been maintained fairly well.

South American production of sugar in 1945-46 is estimated at 2.6 million short tons, about as large as in 1944-45, and about 9 percent more than the prewar average. With the exception of British Guiana, most of the production is consumed in the area, with Peru, the principal exporter, supplying most of the requirements of the deficit countries.

The output of sugar in Africa in 1945-46 is likely to be about 11 percent less than in 1944-45 and 15 percent smaller than the prewar average. Production in Mauritius and the Reunion Islands has declined in recent years because of unfavorable weather, but it has increased in the Union of South Africa and Egypt.

In Australia and New Zealand the sugar crop in 1945-46 is likely to be about 7 percent smaller than in 1944-45 and about 27 percent less than the prewar average.

This is one of a series of regularly scheduled reports on world agricultural prospects approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. For this report the Committee was composed of Joseph A. Becker, Chairman, C. M. Purves, Gustave Burmeister, C. E. Whipple, and J. H. Richter.

WORLD SHELLED-ALMOND OUTPUT LARGEST SINCE 1938

The 1945 production of shelled almonds in the six leading foreign commercial producing countries is 79,600 short tons (shelled basis), compared with 52,200 tons in 1944 and 61,200 tons in 1943. This preliminary estimate exceeds the 5-year (1939-1943) average of 59,800 tons by 33 percent and the 10-year (1934-1943) average of 54,900 by 45 percent.

The 1945 total is only 8 percent less than the record production of 86,100 tons in 1938. When final outturn checks become available at the end of the season, the estimate is subject to revision. Production estimates for most countries have been extremely difficult to obtain because of the disorganization of the usual trade channels by the war. Estimates from some countries are thought to contain some bias and may have to be adjusted.

Growing conditions in practically all areas were decidely satisfactory throughout most of the season. Blossoming and pollination took place under very favorable conditions with only slight frost damage reported in a few small areas. The trees made a good set of fruit with relatively little drop. Moreover, the drought, which started in July and extended into August in most areas, did little damage to the almond crop. In most countries, however, nuts did not develop to larger sizes, and in some regions the quality was not quite comparable to that of the previous season. A record or near-record crop in most Mediterranean Basin countries usually means smaller size kernels. Rains during the summer would have increased the tonnage somewhat.

ALMONDS, SHELLED: Estimated production in specified countries, 1945 with comparisons
(Rounded to nearest 100 short tons)

Country	Average 1939-1943	Average 1934-1943	1942	1943	1944 a/	1945 a/
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
France	600	800	800	600	1,000	500
French Morocco	2,300	2,200	1,600	1,100	600	1,800
Iran	6,900	b/	5,300	7,000	5,300	6,600
Italy	22,300	29,000	14,500	21,400	22,700	42,000
Portugal	2,700	2,400	2,000	2,100	1,700	2,300
Spain	25,000	25,000	c/27,000	c/29,000	c/20,900	26,400
Foreign total	59,800	d/59,400	c/51,200	c/61,200	c/52,200	79,600
United States (unshelled)	14,800	13,700	22,000	16,000	20,700	23,100

Compiled from trade and official sources.
a/ Preliminary. b/ Not available prior to 1938. c/ Revised.
d/ Does not include Iran.

Carry-over in the Mediterranean Basin from the 1944 and previous crops is rather difficult to estimate, since growers and speculators for various reasons, hold unknown quantities. Trade sources, however, indicate that a probable 13,200 tons (shelled basis), existed when the new crop of nuts began to arrive in the market. This carry-over, the bulk of which was in Italy and the remainder in Spain, consisted for the most part, of grades and types not generally imported into the United States. The heavy increase in domestic consumption in both Italy and Spain in the last few years, because of other food shortages, is expected to absorb most of the old crop stocks before this season is over. The United Kingdom is reported to have contracted for 825 tons of 1944 crop of Italian almonds.

Prices of shelled almonds have fluctuated widely in the Mediterranean Basin this season for a number of reasons. The highest prices are found in French Morocco, where mid-October quotations were around $1.49 per pound f.o.b. Casablanca. On the other hand, lowest prices were in Spain and Portugal. For this season indications point to a gradual decrease in prices from now on, although prewar levels are not likely to be reached for some years.

Exportation of almonds to the United States has been almost exclusively confined to Spain and Portugal. The shortage of food in France and French Morocco, together with small production and inflated prices, has tended to keep almonds in the domestic market. A number of political and economic factors, plus poor quality and high prices, have kept United States importers from active purchasing in the Iranian market.

Italy, with a near-record crop, but with prices somewhat higher than in Spain, has been unable to reenter the United States market effectively. While a few United States importers have shown a slight interest in Italian almonds, most of them have been discouraged this season by high prices and the rather complicated method now employed in transactions with that country. Indications now are that by the time the 1946-47 marketing season gets underway in the fall of 1946, these complicated practices may be eliminated, in part at least, and Italian almonds may again be found in the United States market.

If past performance is a guide as to what can be expected, the available supply of 1946 crop almonds may be somewhat less than the present season. The record production of 1938 of 86,100 tons was followed by one of 55,900 tons in 1939 and lower prices. The same situation also occurred in earlier years. The weather in the Mediterranean Basin during February and March will be one of the principal factors determining the 1946 crop prospects.

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COMMODITY DEVELOPMENTS

GRAINS, GRAIN PRODUCTS, AND FEEDS [1]

RIO GRANDE DO SUL'S RICE OUTPUT FORECAST LARGER

Providing average yields are harvested from the 1945-46 rice acreage in Rio Grande do Sul, the principal rice-exporting State of Brazil, about 24.5 million bushels (715 million pounds milled) of rice may be produced in 1946. Even though this harvest would be considerably larger than last year's small crop of 14.7 million bushels (430 million pounds), reduced by drought, it would not equal the record production of 25 million bushels (730 million pounds) in 1943-44. In preliminary official estimates, the 1945-46 rice acreage is placed at 524,000 acres, or about 3 percent less than in 1944-45. Reservoir water supplies in December were reported sufficient, but rivers were below normal.

In view of the relatively heavy rice shipments to other Brazilian States this year, which were larger than expected, no exportable surplus is anticipated from Rio Grande do Sul's 1944-45 crop after December 31. Of the 140 million pounds of export rice available for Great Britain in 1945, according to the rice agreement in effect between the two countries,

[1] Grain Section continued on page 28.

125 million were shipped by the end of November, leaving 15 million for export in December. In accordance with the 1943 contract, about 20 million pounds were available for prewar markets, in addition to the rice exported to Great Britain from the 1944-45 crop.

DOMINICAN RICE CROP REPORTED EXCELLENT

Present prospects in the Dominican Republic are that a large rice crop may be harvested in the 1945-46 season. Not only was the rice acreage increased to 119,000 acres during the first 9 months of 1945, compared with 116,000 acres in the calendar year 1944, but favorable weather conditions also resulted in increased production.

Rice exports from the Dominican Republic from January to September 1945 equaled 6.6 million pounds milled. For the fourth quarter, an export quota was fixed at 20 million pounds in order to assure sufficient rice for domestic consumption. The trade generally forecasts an exportable surplus of 25 to 30 million pounds available from November 1945 to March 1946. Record rice exports of 21 million pounds were shipped in 1942, but small yields, as the result of dry weather since that year, have caused a decline in exports.

CUBAN RICE DEALERS MUST DECLARE IMPORTS

Cuban rice importers are now required to declare their imports from 1941 to 1944, inclusive, to the Ministry of Commerce, under provisions of an official order, published December 27, 1945. The order was issued in connection with the Government's establishment of import quotas, which are expected to provide a fair distribution of rice imports among dealers.

COTTON AND OTHER FIBERS

CURBS ON BELGIAN FLAX SALES LIFTED

A 3-party agreement, which provided for sharing of all flax put up for sale in Belgium and fixed that country's share of sales at 37.5 percent, the French share at 37.5 percent, and the British share at 25 percent, has been terminated, and sales will now be possible to other countries, according to a report from the American Embassy in Brussels. The Belgian flax trade has been under strict control since the effective date of the agreement in December 1944.

In spite of considerable quantities of raw flax available in Belgium, relatively little was put on the market during 1945. This situation in recent months, however, has improved considerably, and the total sales quota for November was fixed at 3,000 tons compared to 1,000 tons in October. The November offerings were easily covered at normal prices with the exception of sales to England, from which source demand was reported to be weak. The sales quota for December, which will be the last quota fixed before liberty of sales is restored, has been set at 7,000 tons of flax. Starting January 1, American buyers should have little difficulty in obtaining raw flax in Belgium.

There may still be some difficulty in placing orders for flax yarns in this country as the Government is still anxious to see that the needs of the Belgian population are satisfied before efforts are made to develop export trade. Nevertheless, officials of the Ministry of Economic Affairs have stated that the output of the flax spinning industry is progressing more rapidly than had been expected and that a fairly liberal policy with regard to the granting of export licenses for yarns may be followed beginning in January. No export quotas are being definitely planned at the present time. The Government's policy, however, will be to permit exports of flax fiber and linen yarns to the greatest extent possible, with the single reserve that the essential needs of the Belgian population must be given priority.

WEEKLY COTTON PRICES ON FOREIGN MARKETS

COTTON: Price of certain foreign growths and qualities in specified markets

Market location Kind and quality	Date 1945	Unit of Weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
Alexandria (spot)		Kantar			
Ashmouni, F.G.F.	12-27	99.05 lbs.	Tallaris	Not quoted	
Giza 7, F.G.F.	12-27	99.05 lbs.	Tallaris	Not quoted	
Karnak, F.G.F.	12-27	99.05 lbs.	Tallaris	Not quoted	
Bombay (Jan. futures)		Candy			
Jarila	12-28	784 lbs.	Rupee	428.50	16.46
Bombay (spot)		Candy			
Kampala, East African	12-28	784 lbs.	Rupee	850.00	32.66
Buenos Aires (spot)		Metric Ton			
Type B	12-29	2204.6 lbs	Peso	1300.00	17.56
Lima (spot)		Sp. Quintal			
Tanguis, Type 5	12-28	101.4 lbs.	Sol	106.00	16.08
Recife (spot)		Arroba			
Mata, Type 5	12-28	33.07 lbs.	Cruzeiro	80.00	13.17
Sertao, Type 5	12-28	33.07 lbs.	Cruzeiro	82.00	13.50
Sao Paulo, (spot)		Arroba			
Sao Paulo, Type 5	12-28	33.07 lbs.	Cruzeiro	94.00	15.48
Torreon (spot)		Sp.Quintal			
Middling, 15/16"	12-29	101.4 lbs.	Peso	93.25	18.92

Compiled from weekly cables from representatives abroad.

Correction: In *Foreign Crops and Markets*, December 24, India's cotton exports to China in 1939 should have read 477,600 bales instead of 447,600 bales.

FATS AND OILS

INDIA'S COTTONSEED CRUSHING SMALL

Despite the fact that India is the world's second largest producer of cottonseed, with an average annual production of approximately 2 million short tons, only a small percentage of this output has been available to the crushing industry. There is an indication, however, of an increase in recent years. About 15 percent of India's cottonseed production is now being crushed, compared with less than 2 percent in the early 1930's, according to a Government official's estimate. The bulk of India's cottonseed is fed to livestock, in the form of seed. While this practice is not considered advisable, especially for dairy cattle, farmers are reluctant to sell the seed and purchase cottonseed cake.

There are about 550 oil mills in India crushing various types of oilseeds. It is not known just how many crush cottonseed in addition to other oilseeds. The larger mills for the most part are equipped with modern machinery such as expellers and hydraulic presses, and the smaller ones are the typical village mill (or ghani). Most of the cottonseed oil is now used in the manufacture of margarine, and postwar plans call for 27 additional factories to make this product. There is a great demand for margarine in India owing to the small production of butter.

TOBACCO

CHINA'S FLUE-CURED TOBACCO CROP SMALL

China's 1945 crop of flue-cured tobacco, on the basis of unofficial information is placed at 65 million pounds. Data regarding production of flue-cured tobacco in China during the other war years are unavailable but the crop averaged 151 million pounds annually during 1935-1939, or more than double the estimated 1945 production. The quality of 1945-crop leaf is reported to have suffered from improper curing, insufficient fertilizers, and unsatisfactory seed. The price of Anhwei-grown leaf is reported at about 200 Chinese dollars per pound, or about 14 cents in United States currency.

In December 1945, stocks of Chinese flue-cured leaf in the hands of Shanghai dealers were estimated at about 2 million pounds, although stocks held by manufacturers were believed to have been somewhat larger.

Some quantities of flue-cured leaf were still in the hands of the Chinese Government which had taken them over subsequent to the capitulation of Japanese occupation forces. Unsettled conditions, moreover, prevented the free movement of leaf to Shanghai from the producing centers of Honan, Anhwei, and Shantung.

Reports indicate that the cigarette manufacturing industry in Shanghai was operating far below capacity, owing to shortage of leaf supplies, war-damaged equipment, failure of the power supply, and pending clarification of its status by the authorities.

ITALY'S TOBACCO CROP DECLINES: STOCKS LOW

The 1945 crop of tobacco in Italy is estimated by the Government Monopoly at about 60.8 million pounds from 80,600 acres, or about 36 percent smaller than the 5-year (1938-1942) average of 94.4 million pounds. The comparatively small 1945 production is attributed chiefly to insufficient rainfall. Production data for the years 1943-1944 are incomplete, but indications are that the outturns in those years were less than average.

The principal types of tobacco grown in Italy are Kentucky and similar fire-cured types, used chiefly in cigars and smoking mixtures, and semi-Oriental, used with imported leaf in the manufacture of cigarettes. Other minor types include the air-cured Burley, Maryland, and Subtropical. Within the past decade production of flue-cured tobacco has become significant, and a sharp increase in acreage and production occurred during the war years. Production of flue-cured tobacco, which averaged 2.8 million pounds annually during the 5 years 1935-1939, increased to an average of 7.4 million during the period 1940-1944. Insufficient rainfall and lack of fuel for curing reduced the 1945 outturn to about 1.9 million pounds.

Stocks of tobacco held by the Government Monopoly on July 1, 1945, amounted to only 44.6 million pounds, or less than 20 percent of the stocks of 244.5 million held on July 1, 1939. The stock position declined steadily during the war years, owing largely to increased consumption and exports, smaller production during 1943 and 1944, and the withholding of quantities of tobacco by growers who sold through other trade channels.

ARGENTINA GROWS MORE FLUE-CURED TOBACCO

Argentina's 1944-45 crop of flue-cured tobacco amounted to 6 million pounds from 6,117 acres, compared with only 3.3 million pounds in 1943-44. Production of flue-cured tobacco averaged only 1.6 million during the crop years 1938-39 through 1942-43. The country's total 1944-45 tobacco crop, according to the fourth estimate of the Ministry of

Agriculture, is placed at 40.3 million pounds, or slightly larger than the third estimate. Native tobacco comprised about 74 percent of the 1944-45 production, and foreign types, chiefly Kentucky, Bahia, and flue-cured, made up the remainder.

GEORGIAN REPUBLIC'S TOBACCO ACREAGE DECLINES

The 1945 tobacco acreage in the Georgian Socialist Republic, an important Soviet tobacco producing region, is placed at 37,105 acres, a sharp drop from the 1938 area of 52,100 acres, which represented 22 percent of the total for the Soviet Union, according to an article in an official publication. This decrease is the result of a shift to such crops as citrus fruits, tea, and tung trees. The harvest in 1945, however, was reported as considerably improved as compared with previous years.

As a result of this shift to other crops, Samsun tobacco production, one of the leading varieties grown, was relegated to less favorable soils. In addition, certain types of Samsun were used which were not well adapted to the soil and climate of the area, resulting in lower yields and poorer quality of tobacco. Because the climate and soils of the Republic are suitable for growing high grades of tobacco and the farmers have made good use of their experience with this crop since 1890, the article suggests that in the future tobacco production should be encouraged by greater care in selecting the varieties most suitable for each district and by improvements in the methods of cultivation.

FRUITS, VEGETABLES, AND NUTS

MEDITERRANEAN BASIN'S FILBERT PRODUCTION SMALLEST IN 15 YEARS 1/

The 1945 preliminary estimate of filbert production in Italy, Spain, and Turkey, the leading commercial producing countries, is 63,000 short tons (unshelled basis), compared with 112,100 tons in 1944 and 93,500 tons in 1943. This total is the smallest since the 60,000 tons produced in 1929. The 5-year (1939-1943) average of 92,800 tons exceeds the estimate by 47 percent, while the 10-year (1934-1943) average of 101,500 tons is 61 percent larger.

Growing conditions in the entire area were less favorable than in last year. While early season indications were for a much larger crop, the shortage of soil moisture and the summer drought caused a considerable drop in Italy and Spain. As the harvest approached, growers' prospects for the crop declined rapidly. In Italy and Spain, nuts that were harvested are reported to be larger and of good quality, while those in Turkey are smaller.

When the new crop of nuts arrived in the market, the 1944 carry-over existing in the Mediterranean, consisted of 10,000 tons in Turkey, 7,100 tons in Spain, and an unknown tonnage in Italy. For the most part, grades and quality of the carry-over were not readily acceptable to United States importers. The carry-over is expected to be largely utilized in the manufacture of filbert oil. The British have contracted for a number of tons of old and new crop nuts.

The export situation, at mid-season, indicates that the short crop likely will be exhausted before 1946 nuts become available, as far as United States importers are concerned. While Italy will probably not be able to export this season, preliminary reports indicate that Spain and Turkey have already moved a good volume of exports. United States imports of shelled filberts from Spain and Turkey have totaled 918 short tons, from September through October, compared with 265 tons for the same period last year and 4,180 tons for the entire 1944-45 season.

FILBERTS, UNSHELLED: Estimated production in specified countries, 1945 with comparisons
(Rounded to nearest 100 short tons)

Year	Italy	Spain	Turkey	Mediterranean Basin Total	United States unshelled	World total
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
Average -						
1939-1943	17,400	20,900	54,500	92,800	4,830	97,630
1934-1943	21,100	25,200	55,200	101,500	3,371	104,871
1942	19,100	19,800	68,800	107,700	4,270	111,970
1943	15,400	17,600	60,500	93,500	7,030	100,530
1944 a/	b/ 21,300	38,000	b/ 52,800	112,100	6,460	118,560
1945 a/	12,000	18,000	33,000	63,000	4,990	67,990

Compiled from trade and official sources.
a/ Preliminary. b/ Revised.

1/ A more extensive statement on this subject is available upon request to the Division of Foreign Information and Statistics, Office of Foreign Agricultural Relations.

LIVESTOCK AND ANIMAL PRODUCTS

OUTLOOK BRIGHT FOR SWEDISH MEAT AND ANIMAL PRODUCTS

A large 1946 production of meat and butter in Sweden is in prospect. Cattle numbers are near 1937 levels, sheep numbers are larger than in that year, and only hog numbers are substantially smaller. Total hog slaughter in 1945-46 is expected, however, to be only 15 percent less than the 1937-38 level, with present slaughter weights much above prewar. Livestock entered the winter in good condition amid improved forage conditions. Butter production during the past season was the highest in 10 years, despite a smaller number of milk cows than in prewar. Milk cow numbers in 1945, however, were 8 percent larger than in 1944. Production of other animal fats is also at a high level.

SWEDEN: Livestock numbers, September 15, 1945, with comparisons

Classification	1937	1944 a/	1945
	1,000 head	1,000 head	1,000 head
Cattle, total	2,986	2,859	2,921
Milk cows	1,921	1,747	1,869
Hogs, total	1,425	1,054	1,093
Sows	133	118	120
Pigs under 3 months	586	511	517
Sheep, total	353	558	511
Ewes	202	266	250
Horses	633	604	b/ 597

Official sources.
a/ June 1. b/ Includes 20,000 army horses.

Estimates indicate that meat production was larger in the 1944-45 production year than in 1937-38. With more calves for slaughter in 1946 and a slight increase in hog slaughter, meat production in the current production year should exceed that of the previous year. About 33,000 horses were slaughtered in the 1944-45 year, which about equals the prewar rate. Release of army horses during the present year should assume the maintenance of this level of slaughter without reducing work stock.

SWEDEN: Meat production in 1945-46, with comparisons

Classification	1937-38	1944-45 a/	1945-46 b/
	Million pounds	Million pounds	Million pounds
Beef and veal	225	237	248
Mutton and lamb	6	8	8
Pork	284	292	293
Horse meat	13	21	23
Total	528	558	572

Official sources.
a/ Preliminary. b/ Estimated.

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CHILEAN WOOL EXPORTS TO THE UNITED STATES CONTINUE LARGE

Exports of Chilean wool to the United States in the first 9 months (January-September) of 1945 reached record proportions, totaling 22 million pounds, an increase of 38 percent and 5 percent, respectively, above the same period in 1944 and 1943. In the past 3 years, the entire exportable surplus, with the exception of very small exports to neutral countries, has been marketed in the United States. The bulk of the wool is fine crossbred.

The shipment of Chilean wool to this country instead of to the United Kingdom was started as a war measure. In 1943 an informal agreement was made between the United States and United Kingdom to ship the wool to this country for purchase through ordinary commercial channels.

This wool has been readily absorbed by United States mills. One of the reasons for its increased use in the last few years is that foreign wools have been sold in this country at a lower price than domestic wools of similar qualities, since the purchase of the domestic wool clip by the Commodity Credit Corporation in 1943, as a price supporting measure. The lowering of the selling price of domestic wool held by the Commodity Credit Corporation on November 27, 1945, is expected to encourage greater use of domestic wool by United States manufacturers.

CHILE: Exports of wool,
1944 with comparisons

Country of destination	Average 1934-1938	1939	1940	1941	1942	1943	1944 a/
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Non-European							
United States	0.2	0.3	3.3	2.8	13.8	20.7	17.5
Other America	-	-	b/	0.1	2.2	0.8	0.1
Japan	1.7	-	3.2	6.3	-	-	-
European							
United Kingdom	13.4	11.2	16.4	15.4	-	-	-
Continental Europe							
France.......	0.2	0.1	-	-	-	-	-
Belgium......	0.2	-	-	-	-	-	-
Italy........	0.4	-	-	-	-	-	-
Germany......	7.1	13.9	-	0.9	-	-	-
Switzerland..	-	-	1.3	-	0.4	0.5	-
Others.......	b/	0.1	-	-	0.1	-	-
Total........	7.9	14.1	1.3	0.9	0.5	0.5	-
Grand total ...	23.2	25.6	24.2	25.5	16.5	22.0	17.6

Compiled from official sources.

a/ Preliminary. b/ Less than 50,000 pounds.

GRAINS, GRAIN PRODUCTS, AND FEEDS (con't)

CANADA'S GRAIN ACREAGE GOALS SAME AS IN 1945

The 1946 grain acreage goals for Canada are virtually unchanged from the acreage harvested in 1945. The program calls for no change in the wheat, rye, and mixed grain acreages; a slight decrease in the area to be seeded to oats; and a small increase for barley and husking corn. The Agricultural Objectives Conference arrived at the goals after full consideration of the problem of distributing agricultural land to provide a maximum production of the major grain crops. Despite the present heavy demand for wheat, no increase in area was recommended since this would mean curtailing either feed grain acreage or the area under summer fallow. The goal set calls for 23.4 million acres, the same acreage as was harvested in 1945, but somewhat less than in 1944.

The oats objective calls for 14.3 million acres. At that figure the acreage would be slightly smaller than the acreage of the past year, though still larger than the 1940-1944 average. Some expansion in wheat acreage at the expense of oats is expected to take place in the Prairie Provinces, according to Canadian sources. Some increased seeding of coarse grain in Ontario and Quebec during the coming year, however, may tend to offset any such loss in the Prairie Provinces.

The barley goal, as set at 8 million acres, provides for an increase of about 9 percent compared with 1945. All of the increase is suggested for the Prairie Provinces. It is felt that barley might be substituted for wheat over large areas in central and southwestern Saskatchewan where drought and sawfly damage constitute hazards to the wheat crop, but might prove a less serious threat to early ripening barley.

Summer fallow in the Prairie Provinces would be held at the 1945 level of about 19.4 million acres, if the goal is achieved. Maintenance of a high summer fallow rate, compared with the prewar (1935-1939) average of 15.7 million, is held to be one of the best means of ensuring high yields, especially in years of drought.

CANADA: Agricultural program for 1946

Grain	1945 production	1946 goal	Goal as percent of 1945
	1,000 acres	1,000 acres	Percent
Wheat	23,414	23,414	100
Oats	14,393	14,310	99
Barley	7,350	8,000	109
Mixed grain	1,453	1,453	100
Husking corn	237	350	148
Rye	487	487	100
Summer fallow (Prairie Provinces)	19,397	19,397	100

From official sources.